

(3) That was initiated before August 10, 2012, pursuant to a production-sharing agreement, or an ancillary agreement necessary to further a production-sharing agreement, entered into with, or a license granted by, the government of a country other than Iran before August 10, 2012.

NOTE TO PARAGRAPH (c) OF § 560.215: The exemption in paragraph (c) of this section applies to the Shah Deniz natural gas field in Azerbaijan's sector of the Caspian Sea and related pipeline projects to bring the gas from Azerbaijan to Europe and Turkey.

(d) The prohibition in paragraph (a) of this section does not apply to the authorized intelligence activities of the United States Government.

NOTE TO § 560.215: A U.S. person is subject to the civil penalties provided for in section 206(b) of the International Emergency Economic Powers Act ("IEEPA") (50 U.S.C. 1705(b)) if any foreign entity that it owns or controls violates the prohibition set forth in this section. See § 560.701(a)(3) of this part for civil penalties.

[77 FR 75848, Dec. 26, 2012]

Subpart C—General Definitions

§ 560.301 Effective date.

The term *effective date* refers to the effective date of the applicable prohibitions and directives contained in this part as follows:

(a) With respect to the prohibitions and directives in § 560.201 and §§ 560.204 through 560.209 is 12:01 a.m., Eastern Daylight Time, August 20, 1997. For the effective date of pre-existing regulations and directives, see the Executive orders in the Authority citation for this part and implementing regulations.

(b) With respect to prohibited transfers or other dealings in blocked property and interests in property of the Government of Iran, as defined in § 560.304, and Iranian financial institutions, as defined in § 560.324, 12:01 a.m. eastern standard time, February 6, 2012; and

(c) With respect to a person whose property and interests in property are otherwise blocked pursuant to paragraph (c) of § 560.211, the earlier of the date of actual or constructive notice that such person's property and interests in property are blocked.

§ 560.302 [Reserved]

§ 560.303 Iran; Iranian.

The term *Iran* means the territory of Iran and any other territory or marine area, including the exclusive economic zone and continental shelf, over which the Government of Iran claims sovereignty, sovereign rights, or jurisdiction, provided that the Government of Iran exercises partial or total de facto control over the area or derives a benefit from economic activity in the area pursuant to an international agreement. The term *Iranian* means pertaining to Iran as defined in this section.

§ 560.304 Government of Iran.

The term *Government of Iran* includes:

(a) The state and the Government of Iran, as well as any political subdivision, agency, or instrumentality thereof, including the Central Bank of Iran;

(b) Any person owned or controlled, directly or indirectly, by the foregoing;

(c) Any person to the extent that such person is, or has been, since the effective date, acting or purporting to act, directly or indirectly, for or on behalf of the foregoing; and

(d) Any other person determined by the Office of Foreign Assets Control to be included within paragraphs (a) through (c) of this section.

NOTE 1 TO § 560.304: The names of persons that OFAC has determined fall within this definition are published in the FEDERAL REGISTER and incorporated into the Office of Foreign Assets Control's Specially Designated Nationals and Blocked Persons List ("SDN List") with the identifier "[IRAN]." The SDN List is accessible through the following page on the Office of Foreign Assets Control's Web site: www.treasury.gov/sdn. However, the property and interests in property of persons falling within the definition of the term *Government of Iran* are blocked pursuant to § 560.211 regardless of whether the names of such persons are published in the FEDERAL REGISTER or incorporated into the SDN List.

NOTE 2 TO § 560.304: Section 501.807 of this chapter describes the procedures to be followed by persons seeking administrative reconsideration of OFAC's determination that they fall within the definition of the term *Government of Iran*.